

to motivate ILECs to negotiate in good faith. FCC policy should create equal opportunity, not affirmative action.

The policies supported by these organizations are unlikely to create competition in telecommunication markets. If AT&T leases many ILECs at cut rates, it will have gone far toward reconstituting the Bell System. This will decrease competition, not invigorate it. The recommended policy appears far from the intent of Congress in replacing the MFJ.

The argument by AT&T, DOJ and MCI makes no business sense. ILECs run a business. If IXCs can lease so much of this business at low prices that it is no longer viable, then the ILEC cannot function. If AT&T leases all of SBC's urban facilities, could SBC still function? Would SBC have the necessary personnel if AT&T left after a few years? In the extreme case, if the ILEC went out of business, who would operate the local network? These scenarios are far from the intention of the 1996 Act to preserve the vitality of the ILECs.

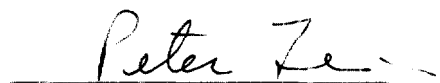
The argument by AT&T, DOJ and MCI makes no economic sense. The use of TSLRIC is justified by the FCC and in many comments as efficient. As noted by Hausman, the abstract argument for TSLRIC is inapplicable to this situation. The existence of joint and common costs renders the abstract argument moot. Economies of scale do the same.

The use of Hatfield rates to lease network elements is justified as promoting efficiency, as implementing the use of TSLRIC. But it is not efficient for new entrants to use ILEC plant if the ILEC plant is inefficient. If Hatfield is correct, FCC policy should encourage the construction of the efficient plant envisaged by Hatfield. The ability to lease the existing plant at cut rates discourages construction and loses the chance to improve efficiency. There is no gain in efficiency when AT&T operates the ILEC plant instead of the ILEC. This is only a transfer.

Economic theory says that old, inefficient machines should be replaced when the average cost of production with the new equipment is less than the average variable cost of the old. According to Hatfield, an efficient network costs only half as much as current ILEC networks.⁴ This difference is far greater than the sunk cost of the existing local network, which can be approximated by the return to capital. ILECs therefore should have been making these investments already. As noted by Hatfield, ILECs are improving their networks, but still not approaching Hatfield's "efficient network." Why not?

The reason is that these estimates of Hatfield are hopelessly confused and erroneous. Hatfield argues that its cheaper plant is a principal source of its cheaper costs: "The difference between the Hatfield Model investment and actual ILEC investment is \$125 billion dollars [sic]."⁵ But this is the difference between the Hatfield Model and the *gross* plant of the Tier One companies. Hatfield's hypothetical plant costs only \$25 billion less than the net investment of the Tier One companies, hardly enough to explain much of their massive difference in costs.⁶ The FCC should not employ cost estimates made by people who cannot distinguish between net and gross plant.

I declare under penalty of perjury that the foregoing is true and correct. Executed on May 29, 1996.

A handwritten signature in cursive script, reading "Peter Temin", written over a horizontal line.

Peter Temin

⁴ MCI Comments, Hatfield Associates Attachment, Table 5.

⁵ MCI Comments, Hatfield Associates Attachment, p. 40.

⁶ FCC, Statistics of Communications Common Carriers as of December 31, 1994, Table 2.9.

AFFIDAVIT OF DANE ERSHEN

My name is Dane Ershen, and I am Vice President—Network Operations of Southwestern Bell Mobile Systems, Inc. (SBMS), d/b/a CellularOne—Chicago, a wholly-owned subsidiary of Southwestern Bell Wireless Holdings, Inc., which is in turn a wholly-owned subsidiary of SBC Communications Inc. (SBC). In that capacity I am responsible for overseeing all of the network and information service functions of SBMS's largest cellular market, which encompasses the greater Chicagoland area and portions of Northwest Indiana. My technical background was acquired through my years as an Electronics Instructor in the Navy, at Metrocom (a telecommunications company at which I specialized in two-way radio communications for private and public safety applications), and at SBC. I joined SBC in 1987 as a Manager in the Network Department of Cellular One. I was promoted to my current position of Vice President—Network Operations in 1988.

SBMS, d/b/a CellularOne—Chicago, is a provider of cellular service (including long distance) in the Chicago, Illinois Metropolitan Statistical Area (MSA), Gary Indiana MSA and Illinois Rural Service Area 2.

SBMS Illinois Services, Inc. (SBMS Illinois) is certified to provide landline local exchange service in certain parts of the state of Illinois pursuant to an order adopted by the Illinois Commerce Commission on 12/20/95.

I have reviewed the Comments filed by SBC in Docket 96-98, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, and specifically the unbundling proposal advocated by SBC, on behalf of SWBT, SBC's incumbent local exchange provider (ILEC) in the states of Arkansas, Kansas, Missouri, Oklahoma and Texas.

SBC's proposal that five network elements (loop, loop cross connect, switched port, local switching and local switch transport) be unbundled generally offers sufficient functionality and flexibility for any facilities-based local service provider (LSP) to offer landline local exchange service efficiently and in competition with the incumbent local exchange provider, at least initially. In order for SBMS Illinois to offer local exchange service under this approach, it would only need to purchase unbundled loop facilities (loop and loop cross connect) and transport facilities from the incumbent local exchange carrier. SBMS Illinois could also purchase transport from an alternative source, such as a competitive access provider (CAP). SBMS Illinois could combine these unbundled facilities with non-incumbent local exchange carrier switching infrastructure to offer landline local exchange service in competition with Illinois Bell Telephone Company d/b/a Ameritech-Illinois.

Nationwide rules for further unbundling may not make sense and, in fact, may be anti-competitive. Geographics, networks and population densities vary dramatically across the United States. Also, the statute allows for negotiations to further unbundle networks over and above any minimum network standards the FCC deems appropriate.

SBC's proposed set of unbundled elements also offers other potential LSPs (such as CAPs, CATV providers or IXC's) a reasonable approach to offer local exchange service through the purchase of only those unbundled elements that would be necessary to provide service. For instance, a CAP could combine SBC's proposed unbundled elements (loop loop cross connect) with the CAP's facilities to offer local exchange service in competition with the incumbent local exchange provider. Similarly, a CATV provider could combine unbundled switching elements and transport elements

together with its existing loop facilities to provide local exchange service to its customers. Or, an interexchange carrier would likely need to purchase only the loop element and loop cross connect to go along with its switching and transport facilities to offer local exchange service competitively.

The proposed set of unbundled elements allows the LSP (be it a cellular provider, a CAP, a CATV provider or an IXC) to provide landline local exchange service in an efficient manner and on competitive terms with the incumbent. Of course, to the extent a competing provider wishes to expand its infrastructure (through deployment of switching or transport facilities, for instance), it would no longer need to purchase certain unbundled elements from the incumbent. Other services could also be purchased on a resale basis from the incumbent LEC (such as operator services, directory assistance, access to 911) to round-out the LSP's service offerings.

SBC's unbundling proposal, in conjunction with the ability of an LSP to purchase additional services on a resale basis, allows any facilities-based provider to compete efficiently and effectively with an ILEC.

While I endorse SBC's proposal, it is important to note that whatever technology is appropriate today, it likely will not be appropriate tomorrow. I urge the Commission to adopt an unbundling approach that makes available the basic functionalities (local loop, switching and transport) through SBC's proposed five elements without limiting the elements that may be negotiated among interconnecting carriers to make this functionality available in the future. New approaches to offering necessary functionalities will certainly be available in the future and the Commission should not establish rules that limit these functionalities solely to today's technology. This

approach allows parties the flexibility to negotiate whatever technical arrangements are necessary to meet their unique needs.



Dane Ershen
Vice President - Network Operations
Southwestern Bell Mobile Systems

County of Harris)
State of Texas) SS

Sworn to and subscribed before me, a Notary Public, this 29 day of
May 1996.


Notary Public

My commission expires 06/01/99



CERTIFICATE OF SERVICE

I, Liz Jensen, hereby certify that the foregoing
Reply Comments of Southwestern Bell Telephone Company,
Docket 96-98, have been served this 30th day of May, 1996 to
the Parties of Record.

Liz Jensen
Liz Jensen

May 30, 1996

**SPRINT CORPORATION
LEON KESTENBAUM
JAY C KEITHLEY
H RICHARD JUHNKE
1850 M STREET NW
11TH FLOOR
WASHINGTON DC 20036**

**JOT D CARPENTER JR
VP GOVERNMENT RELATIONS
TELECOMMUNICATIONS INDUSTRY ASSOC
1201 PENNSYLVANIA AVENUE NW #315
WASHINGTON DC 20044-0407**

**STEVEN T NOURSE
ASSISTANT ATTORNEY GENERAL
PUBLIC UTILITIES SECTION
180 EAST BROAD STREET
COLUMBUS OHIO 43266-0573**

**MICHAEL E GLOVER
LESLIE VIAL
JAMES PACHULSKI
LYDIA PULLEY
1320 NORTH COURT HOUSE ROAD
8TH FLOOR
ARLINGTON VIRGINIA 22201**

**JAMES A EIBEL
ATTORNEY FOR NETWORK RELIABILITY
COUNCIL II SECRETARIAT
7613 WILLIAM PENN PLACE
INDIANAPOLIS INDIANA 46256**

**ANDREW D LIPMAN
RUSSELL BLAU
SWIDLER & BERLIN CHARTERED
COUNSEL FOR MFS COMMUNICATIONS GROUP INC
3000 K STREET NW SUITE 300
WASHINGTON DC 20007**

**SAUL FISHER
WILLIAM J BALCERSKI
1111 WESTCHESTER AVENUE
WHITE PLAINS NY 10604**

**ALAN F CIAMPORCERO
VP PACIFIC TELESIS GROUP WASHINGTON
1275 PENNSYLVANIA AVENUE NW SUITE 400
WASHINGTON DC 20004**

**THOMAS P HESTER
KELLY R WELSH
JOHN T LENAHA
MIKE PABIAN
LARRY PECK
GARY PHILLIPA
AMERITECH
30 SOUTH WACKER DRIVE
CHICAGO IL 60606**

**ANTOINETTE COOK BUSH
LINDA G MORRISON
SKADDEN ARPS SLATE MEAGHER & FLOM
1440 NEW YORK AVENUE NW
WASHINGTON DC 20005**

**ROBERT B MCKENNA
KATHRYN MARIE KRAUSE
JAMES T HANNON
1020 19TH STREET NW SUITE 700
WASHINGTON DC 20036**

**WAYNE V BLACK
C DOUGLAS JARRETT
SUSAN M HAFELI
KELLER AND HECKMAN
1001 G STREET NW
SUITE 500 WEST
WASHINGTON DC 20001**

**RACHEL J ROTHSTEIN
ANN P MORTON
CABLE & WIRELESS INC
8219 LEESBURG PIKE
VIENNA VIRGINIA 22182**

**DANNY E ADAMS
JOHN J HEITMANN
KELLEY DRYE & WARREN LLP
1200 19TH STREET NW
WASHINGTON DC 20036**

**CINDY SCHONHAUT
VP GIVERNMENT AFFAIRS
INTELCOM GROUP USA INC
9605 EAST MAROON CIRCLE
ENGLEWOOD CO 80112**

**ALBERT H KRAMER
ROBERT F ALDRICH
DICKSTEIN SHAPIRO & MORIN LLP
2101 L STREET NW
WASHINGTON DC 20037-1526**

**STEPHEN R ROSEN
THEODORE M WEITZ
ATTORNEYS FOR LUCENT TECHNOLOGIES INC
475 SOUTH STREET
MORRISTOWN NEW JERSEY 07962-1976**

**VICKI OSWALT
DIRECTOR OFFICE OF POLICY DEVELOPMENT
PUBLIC UTILITY COMMISSION OF TEXAS
7800 SHOAL CREEK BLVD
AUSTIN TEXAS 78757-1098**

**JAMES N HORWOOD
SCOTT H STRAUSS
WENDY S LADER
ATTORNEYS FOR MUNICIPAL UTILITIES
SPIEGEL & MCDIARMID
SUITE 1100
1350 NEW YORK AVENUE NW
WASHINGTON DC 20005-4798**

**DAVID W MCGANN
SPECIAL ASSISTANT ATTORNEY GENERAL
ILLINOIS COMMERCE COMMISSION
160 NORTH LASALLE STREET
SUITE C-800
CHICAGO IL 60601**

**AGRI PAVLOVSKIS PRESIDENT
MICHIGAN EXCHANGE CARRIERS ASSOC INC
1400 MICHIGAN NATIONAL TOWER
LANSING MI 48901-0025**

**GLEN A SCHMIEGE
MARK J BURZYCH
ATTORNEYS FOR MICHIGAN EXCHANGE
CARRIERS ASSOCIATION INC
FOSTER SWIFT COLLINS & SMITH PC
ATTORNEYS FOR MICHIGAN EXCHANGE CARRIERS
ASSOCIATION INC
313 SOUTH WASHINGTON SQUARE
LANSING MI 48933**

**BELL ATLANTIC NYNEX MOBILE INC
JOHN T SCOTT III
CROWELL & MORING
1001 PENNSYLVANIA AVE NW
WASHINGTON DC 20004**

**ARCH COMMUNICATIONS GROUP INC
CARL W NORTHRUP
CHRISTINE M CROWE
ITS ATTORNEYS
PAUL HASTINGS JANOFISKY & WALKER
1299 PENNSYLVANIA AVE NW
TENTH FLOOR
WASHINGTON DC 20004**

**DAVID W CARPENTER
PETER D KEISLER
ONE FIRST NATIONAL PLAZA
CHICAGO IL 60603**

**MARK C ROSENBLUM
ROY E HOFFINGER
AT&T
295 NORTH MAPLE AVENUE
BASKING RIDGE NJ 07920**

**UTILEX INC
PO BOX 991
GREENVILLE NC 27834
CJ CAIN
PRESIDENT**

**R GLENN RHYNE
MANAGER RESEARCH DEPARTMENT
STATE OF SOUTH CAROLINA
PUBLIC SERVICE COMMISSION
POST OFFICE DRAWER 11649
COLUMBIA SOUTH CAROLINA 29211**

**ROBERT A MAZER
ALBERT SHULDINER
MARY PAPE
COUNSEL FOR THE LINCOLN TELEPHONE AND
TELEGRAPH COMPANY
VINSON & ELKINS
1455 PENNSYLVANIA AVE NW
WASHINGTON DC 20004-1008**

**RONALD J BINZ
PRESIDENT
DEBRA BERLYN
EXECUTIVE DIRECTOR
COMPETITION POLICY INSTITUTE
1156 15TH STREET NW SUITE 310
WASHINGTON DC 20005**

**MARGOT SMILEY HUMPHREY
KOTEEN & NAFTALIN LLP
TDS TELECOMMUNICATIONS CORPORATION
1150 CONNECTICUT AVE NW
SUITE 1000
WASHINGTON DC 20036**

**DANA FRIX
DOUGLAS G BONNER
SWIDLER & BERLIN CHARTERED
ATTORNEY FOR HYPERION TELECOMMUNICATION INC
3000 K STREET NW
SUITE 300
WASHINGTON DC 20007**

**GEORGE PETRUTSAS
PAUL J FELDMAN
ATTORNEYS FOR ROSEVILL TELEPHONE CO
FLETCHER HEALD & HILDRETH PLC
1300 NORTH 17TH ST 11TH FLOOR
ROSSLYN VIRGINIA 22209**

**ERIC B WITT
ASSISTANT GENERAL COUNSEL
MISSOURI PUBLIC SERVICE COMMISSION
POST OFFICE BOX 360
JEFFERSON CITY MO 65102**

**RICHARD A FINNIGAN
ATTORNEY FOR WASHINGTON INDEPENDENT
TELEPHONE ASSOCIATION
2405 EVERGREEN PARK DRIVE SOUTHWESTERN BELL
TELEPHONE COMPANY
SUITE B-1
OLYMPIA WASHINGTON 98502**

**J CHRISTOPHER DANCE
VICE PRESIDENT LEGAL AFFAIRS
KERRY TASSOPOULOS
DIRECTOR OF GOVERNMENT AFFAIRS
EXCEL TELECOMMUNICATIONS INC
9330 LBJ FREEWAY SUITE 1220
DALLAS TEXAS 75243**

**MARK J GOLDEN
VICE PRESIDENT INDUSTRY AFFAIRS
ROBERT R COHEN
PERSONAL COMMUNICATIONS INDUSTRY ASSOC
500 MONTGOMERY STREET SUITE 700
ALEXANDRIA VA 22314-1561**

**PAUL J BERMAN
ALANE C WEIXEL
COVINGTON & BURLING
ANCHORAGE TELEPHONE UTILITY
1201 PENNSYLVANIA AVE NW
PO BOX 7566
WASHINGTON DC 20044-7566**

**THOMAS K CROWE
COUNSEL FOR EXCEL TELECOMMUNICATIONS
LAW OFFICE OF THOMAS K CROWE PC
2300 M STREET NW
SUITE 800
WASHINGTON DC 20037**

**ROBERT C SCHOONMAKER
VICE PRESIDENT
GVNW INC/MANAGEMENT
2270 LAMONTANA WAY
PO BOX 25969
COLORADO SPRINGS CO 80936(80918)**

DON SCHROER
CHAIRMAN
ALASKA PUBLIC UTILITIES COMMISSION
1016 WEST SIXTH AVENUE
SUITE 400
ANCHORAGE ALASKA 99501-1963

ROBERT C GLAZIER
DIRECTOR OF UTILITIES
INDIANA UTILITY REGULATORY COMMISSION
320 W WASHINGTON STREET
ROOM E306
INDIANAPOLIS INDIANA 46204

KATHY L SHOBERT
DIRECTOR FEDERAL AFFAIRS
901 15TH STREET NW SUITE 900
WASHINGTON DC 20005

JAMES BALLER
THE BALLER LAW GROUP
1820 JEFFERSON PLACE NW
SUITE 200
WASHINGTON DC 20036

RODNEY L JOYCE
AD HOC COALITION OF CORPORATE
TELECOMMUNICATIONS MANAGERS
GINSBURG FELDMAN AND BRESS
1250 CONNECTICUT AVE NW
WASHINGTON DC 20036

PERRY W WOOFER
UNITED CALLING NETWORK INC
1200 29TH STREET NW
SUITE 200
WASHINGTON DC 20007

MARK J PALCHICK
COUNSEL FOR BUCKEYE CABLEVISION INC
VORYS SATER SEYMOUR AND PEASE
1828 L STREET NW 11TH FLOOR
WASHINGTON DC 20036-5104

ROBERT A HART IV
HART ENGINEERS
PO BOX 66436
BATON ROUGE LA 70896

CAROLYN C HILL
ALLTEL TELEPHONE SERVICES CORPORATION
655 15TH STREET NW
SUITE 220
WASHINGTON DC 20005

CITIZENS UTILITIES COMPANY
RICHARD M TETTELBAUM
ASSOCIATE GENERAL COUNSEL
SUITE 500
1400 16TH STREET NW
WASHINGTON DC 20036

EARL PACE
CHAIRMAN LEGISLATIVE COMMITTEE
BDPA INFORMATION TECHNOLOGY THOUGHT
LEADERS
1250 CONNECTICUT AVE NW
SUITE 610
WASHINGTON DC 20036

BETTYE J GARDNER
PRESIDENT
THE ASSOCIATION FOR THE STUDY OF AFRO-
AMERICAN LIFE AND HISTORY INC
1407 FOURTEENTH ST NW
WASHINGTON DC 20005-3704

HENRY M RIVERA
LARRY S SOLOMON
J THOMAS NOLAN
GINSBEURG FELDMAN & BRESS CHARTERED
ATTORNEYS FOR METRICOM INC
1250 CONNECTICUT AVE NW
WASHINGTON DC 20036

CAROL WEINHAUS
PROJECT DIRECTOR
PUBLIC UTILITY RESEARCH CENTER
COLLEGE OF BUSINESS ADMINISTRATION
UNIVERSITY OF FLORIDA
MEETING HOUSE OFFICES
121 MOUNT VERNON STREET
BOSTON MA 02108

PROFESSOR NICHOLAS ECONOMIDES
STERN SCHOOL OF BUSINESS
NEW YORK UNIVERISYT
NEW YORK NY 10012

JAMES U TROUP
L CHARLES KELLER
ARTER & HADDEN
ATTORNEYS FOR BAY SPRINGS TELEPHONE CO
1801 K STREET NW
SUITE 400K
WASHINGTON DC 20006-1301

JOHN G STRAND CHAIRMAN
RONALD E RUSSELL COMMISSIONER
JOHN L O'DONNELL COMMISSIONER
MICHIGAN PUBLIC SERVICE COMMISSION STAFF
6545 MERCANTILE WAY
LANSING MI 48911

RICHARD RUBIN
STEVEN N TEPLITZ
FLEISCHMAN AND WALSH LLP
ATTORNEYS FOR CENTENNIAL CELLULAR CORP
1400 SIXTEENTH STREET NW
SUITE 600
WASHINGTON DC 20036

DANIEL M WAGGONER
COUNSEL FOR NEXTINK COMMUNICATIONS LLC
DAVIS WRIGHT TREMAINE
2600 CENTURY SQUARE
1501 FOURTH AVENUE
SEATTLE WASHINGTON 98101-1688

GARY L MANN
AUTHORIZED REPRESENTATIVE TSTCI
3721 EXECUTIVE CENTER DRIVE SUITE 200
AUSTIN TEXAS 78731-1639

**ERIC J BANFMAN
MORTON J POSNER
SWIDLER & BERLIN CHTD
ATTORNEYS FOR GST TELECOM INC
3000 K STREET NW SUITE 300
WASHINGTON DC 20007**

**JONATHAN E CANIS
REED SMITH SHAW & MCCLAY
COUNSEL FOR INTERMEDIA COMMUNICATIONS
1301 K STREET NW
SUITE 1100 EAST TOWER
WASHINGTON DC 20005**

**BRIAN R MOIR
MOIR & HARDMAN
ATTORNEY FOR INTERNATIONAL COMMUNICATIONS
ASSOCIATION
2000 L STREET NW SUITE 512
WASHINGTON DC 20036-4907**

**COLORADO INDEPENDENT TELEPHONE ASSOCIATION
3236 HIWAN DRIVE
EVERGREEN COLORADO 80439**

**FRED WILLIAMSON & ASSOCIATES INC
2921 E 91ST STREET SUITE 200
TULSA OKLAHOMA 74137-3300**

**HAROLD CRUMPTON
COMMISSIONER OF THE MISSOURI PUBLIC SERVICE
COMMISSION
PO BOX 360
JEFFERSON CITY MO 65102**

**GERALD M ZUCKERMAN
EDWARD B MYERS
ATTORNEYS FOR COMMUNICATIONS AND ENERGY
DISPUTE RESOLUTION ASSOCIATES
INTERNATIONAL SQUARE
1825 I STREET NW SUITE 400
WASHINGTON DC 20006**

**TIMOTHY E WELCH ESQ
ATTORNEY FOR BOGUE KANSAS
HILL AND WELCH
1330 NEW HAMPSHIRE AVE NW #113
WASHINGTON DC 20036**

**BRAD E MUTSCHELKNAUS
STEVE A AUGUSTINO
MARIEANN ZOCHOWSKI
ATTORNEYS FOR KELLEY DRYE & WARREN
1200 19TH STREET NW
SUITE 500
WASHINGTON DC 20036**

**CHARLES C HUNTER
HUNTER & MOW PC
ATTORNEY FOR TELECOMMUNICATIONS
RESELLERS ASSOCIATION
1620 I STREET NW
SUITE 701
WASHINGTON DC 20006**

**JOSEPH W WAZ JR
BETH O'DONNELL
COMCAST CORPORATION
1500 MARKET STREET
PHILADELPHIA PA 19102**

**HOWARD J SYMONS
CHERIE R KISER
RUSSEL C MERBETH
MINTZ LEVIN COHN FERRIS GLOVSKY AND POPEO PC
701 PENNSYLVANIA AVE SUITE 900
WASHINGTON DC 20004**

**CHRISTOPHER W SAVAGE
COLE RAYWID & BRAVERMAN LLP
ATTORNEY FOR JONES INTERCABLE INC
1919 PENNSYLVANIA AVE NW
SECOND FLOOR
WASHINGTON DC 20006-3456**

**ALBERT H KRAMER
ROBERT F ALDRICH
DICKSTEIN SHAPIRO MORIN LLJ
ATTORNEYS FOR AMERICAN PUBLIC
COMMUNICATIONS COUNCIL
2102 L STREET NW
WASHINGTON DC 20037-1526**

**TIM RAVEN
PRESIDENT
TEXAS TELEPHONE ASSOCIATION
400 WEST 15TH STREET SUITE 1005
AUSTIN TEXAS 78701-1647**

**WINSTON PITTMAN
CHRYSLER MINORITY DEALERS ASSOCIATION
AMERICAN CENTER
27777 FRANKLIN ROAD
SUITE 1105
SOUTHFIELD MI 48034**

**RICHARD N KOCH
10 LILAC STREET
SHARON MA 02067**

**DWIGHT E ZIMMERMAN
EXECUTIVE VICE PRESIDENT
ILLINOIS INDEPENDENT TELEPHONE ASSOC
RR 13 24B OAKMONT ROAD
BLOOMINGTON IL 61704**

**ANNE P SCHELLE
VICE PRESIDENT EXTERNAL AFFAIRS
AMERICAN PERSONAL COMMUNICATIONS
ONE DEMOCRACY CENTER
6901 ROCKLEDGE DRIVE SUITE 600
BETHESDA MARYLAND 20817**

**JOHN CRUMP
EXECUTIVE DIRECTOR
NATIONAL BAR ASSOCIATION
1225 11TH STREET NW
WASHINGTON DC 20001-4217**

MARK J GOLDEN
VP INDUSTRY AFFAIRS
ROBERT R COHEN
PERSONAL COMMUNICATIONS INDUSTRY
ASSOCIATION
500 MONTGOMERY STREET SUITE 700
ALEXANDRIA VA 22314-1561

DANA FRIX
MARY C ALBERT
ANTONY R PETRILLA
SWIDLER & BERLIN CHTD
3000 K STREET NW SUITE 300
WASHINGTON DC 20007

LAURIE PAPPAS
DEPUTY PUBLIC COUNSEL
TEXAS OFFICE OF PUBLIC UTILITY COUNSEL
7800 SHOAL CREEK BLVD SUITE 290E
AUSTIN TEXAS 78757

DANIEL MITCHELL
ASSISTANT ATTORNEY GENERAL
REGULATED INDUSTRIES DIVISION
PUBLIC PROTECTION BUREAU
200 PORTLAND STREET
FOURTH FLOOR
BOSTON MA 02114

KEN SOLOMON
DEPARTMENT DIRECTOR
TELECOMMUNICATIONS DIVISION
PO DRAWER 1269
SANTE FE NM 87504-1269

JOHN B HOWE CHAIRMAN
MARY CLARK WEBSTER COMMISSIONER
JANET GAIL BESSER COMMISSIONER
THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES
100 CAMBRIDGE STREET 12TH FLOOR
BOSTON MA 02202

MAUREEN HELMER
GENERAL COUNSEL
STATE OF NEW YORK DEPARTMENT
OF PUBLIC SERVICE
THREE EMPIRE STATE PLAZA
ALBANY NY 12223-1350

M ROBERT SUTHERLAND
RICHARD M SBARATTA
A KIRVEN GILBERT III
ATTORNEYS FOR BELL SOUTH CORPORATION
1155 PEACHTREE STREET NE SUITE 1700
ATLANTA GEORGIA 30309-3610

GOVERNOR'S OFFICE
NEBRASKA RURAL DEVELOPMENT COMMISSION
PO BOX 94666
LINCOLN NEBRASKA 68509-1666

ANTOINETTE R WIKE
CHIEF COUNSEL
NORTH CAROLINA PUBLIC STAFF UTILITIES
COMMISSION
PO BOX 29520
RALEIGH NORTH CAROLINA 27626-0520

CHRIS BARRON
TCA INC TELECOMMUNICATIONS CONSULTANTS
3617 BETTY DRIVE SUITE I
COLORADO SPRINGS CO 80917

ROBERT J SACHS
HOWARD B HOMONOFF
CONTINENTAL CABLEVISION INC
LEWIS WHARF PILOT HOUSE
BOSTON MASSACHUSETTS 02110

BRENDA L FOX
CONTINENTAL CABLEVISION INC
1320 19TH STREET SUITE 201
WASHINGTON DC 20036

FRANK W LLOYD
DONNA N. LAMPERT
MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO
701 PENNSYLVANIA AVENUE NW
SUITE 900
WASHINGTON DC 20004

JUDITH ST LEDGER ROTY
PAUL G MADISON
REED SMITH SHAW & MCCLAY
1301 K STREET NW
SUITE 1100 EAST TOWER
WASHINGTON DC 20005-3317

FIONA BRANTON
DIRECTOR, GOVERNMENT RELATIONS
AND REGULATORY COUNSEL
INFORMATION TECHNOLOGY INDUSTRY COUNCIL
1250 EYE STREET NW
WASHINGTON DC 20005

DOW LOHNES & ALBERTSON
A PROFESSIONAL LIMITED LIABILITY CO
1200 NEW HAMPSHIRE AVENUE NW SUITE 800
WASHINGTON DC 20036

STEPHEN G OXLEY ADMINISTRATOR
STATE OF WYOMING PUBLIC SERVICE COMMISSION
700 W 21ST STREET
CHEYENNE WYOMING

PETER A ROHRBACK
COUNSEL OF LDDS WORLD COM
HOGAN & HARTSON LLP
COLUMBIA SQUARE
555 THIRTEENTH STREET NW
WASHINGTON DC 20004-1109

GENEVIEVE MORELLI
VP AND GENERAL COUNSEL
COMPETITIVE TELECOMMUNICATIONS ASSOC
1140 CONNECTICUT AVENUE NW
SUITE 220
WASHINGTON DC 20036

**ROBERT J AAMOTH
WENDY I KIRCHICK
REEN SMITH SHAW & MCCLAY
1301 K STREET NW
SUITE 1100 - EAST TOWER
WASHINGTON DC 20005**

**RODNEY L JOYCE
J THOMAS NOLAN
GINSBURG FELDMAN AND BRESS
1250 CONNECTICUT AVE NW
WASHINGTON DC 20036**

**MADELYN M DEMATTEO
ALFRED J BRUNETTI
MAURA BOLLINGER
SOUTHERN NEW ENGLAND TELEPHONE COMPANY
227 CHURCH STREET
NEW HAVEN CT 06506**

**THE NATIONAL CABLE TELEVISION ASSOCIATION
DANIEL L BRENNER
NEAL GOLDBERG
DAVID NICOLL
1724 MASSACHUSETTS AVENUE NW
WASHINGTON DC 20036**

**DONALD J RUSSELL CHIEF
ANTITRUST DIVISION
US DEPARTMENT OF JUSTICE
555 4TH STREET NW
ROOM 8104
WASHINGTON DC 20001**

**RICHARD J METZGER
EMILY M WILLIAMS
ASSOCIATION FOR LOCAL TELECOMMUNICATIONS
SERVICES
1200 19TH STREET NW SUITE 560
WASHINGTON DC 20036**

**AARON I FLEISCHMAN
RICHARD RUBIN
MITCHELL F BRECHER
STEVEN N TEPLITZ
FLEISCHMAN AND WALSH LLP
ATTORNEYS FOR TIME WARNER
COMMUNICATIONS HOLDINGS INC
1400 SIXTEENTH STREET NW
WASHINGTON DC 20036**

**PAUL B JONES
JANIS A STAHLHUT
DONALD F SHEPHEARD
TIME WARNER COMMUNICATINS HOLDINGS INC
300 STAMFORD PLACE
STAMFORD CONNECTICUT 06902**

**TIMOTHY E WELCH ESQ
HILL AND WELCH
1330 NEW HAMPSHIRE AVENUE NW #113
WASHINGTON DC 20036**

**DOROTHY CONWAY
FCC
ROOM 234
1919 M STREET NW
WASHINGTON DC 20554**

**TIMOTHY FAIN
OMB DESK OFFICER
10236 NEOB 725-17TH STREET NW
WASHINGTON DC 20503**

**OFFICE OF THE SECRETARY
FEDERAL COMMUNICATIONS COMMISSION
1919 M STREET NW
ROOM 222
WASHINGTON DC 20554**

**JANICE MYLES (on diskette)
COMMON CARRIER BUREAU
FEDERAL COMMUNICATIONS COMMISSION
1919 M STREET NW ROOM 544
WASHINGTON DC 20554**

**INTERNATIONAL TRANSCRIPTION SERVICES INC
2100 M STREET NW
SUITE 140
WASHINGTON DC 20037**

**GLORIA SHAMBLEY (3 COPIES)
NETWORK SERVICES DIVISION
COMMON CARRIER BUREAU
2000 M STREET NW
SUITE 210
WASHINGTON DC 20554**

**GURMAN BLASK & FREEDMAN CHARTERED
ATTORNEYS JEROME K BLASK & DANIEL E SMITH
COUNSEL FOR PRONET INC
1400 SIXTEENTH STREET NW
SUITE 500
WASHINGTON DC 20036**

**ARCH COMMUNICATIONS GROUP INC
PAUL HASTINGS JANOFKY & WALKER
ATTORNEYS CARL W NORTHROP &
CHRISTINE M CROWE
1299 PENNSYLVANIA AVENUE NW
TENTH FLOOR
WASHINGTON DC 20004**

**NATIONAL ASSOCIATION OF REGULATORY UTILITY
COMMISSIONERS
PAUL RODGERS
CHARLES D GRAY
JAMES BRADFORD RAMSAY
1102 ICC BUILDING
POST OFFICE BOX 684
WASHINGTON DC 20044**

**MOBILEMEDIA COMMUNICATIONS INC
GENE P BELARDI
VICE PRESIDENT
2101 WILSON BOULEVARD SUITE 935
ARLINGTON VA 22201**

**VARTEC TELECOM INC
TRANSTEL
TELEPHONE EXPRESS
CGI AND COMMUNIGROUP INC OF MISSISSIPPI
ARTER & HADDEN
1801 K STREET NW STE 400K
WASHINGTON DC 20006-1301**

**PUERTO RICO TELEPHONE COMPANY
JOE D EDGE
RICHARD J ARSENAULT
TINA M PIDGEON
DRINKER BIDDLE & REATH
901 FIFTEENTH STREET NW
WASHINGTON DC 20005**

**NATIONAL EXCHANGE CARRIER ASSOCIATION INC
PERRY S GOLDSCHHEIN -- REGULATORY MANAGER
JOANNE SALVATORE BOCHIS
100 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07981**

**AMERICAN NETWORK EXCHANGE INC
U S LONG DISTANCE INC
DANNY E ADAMS
STEVEN A AUGUSTINO
KELLEY DRYE & WARREN LLP
1200 NINETEENTH STREET NW SUITE 500
WASHINGTON DC 20036**

**MOSS & BARNETT
RICHARD J JOHNSON
MICHAEL J BRADLEY
4800 NORWEST CENTER
90 SOUTH SEVENTH STREET
MINNEAPOLIS MN 55402-4129**

**GUAM TELEPHONE AUTHORITY
VERONICA M AHERN
NIXON HARGRAVE DEVANS & DOYLE LLP
ONE THOMAS CIRCLE NW
SUITE 800
WASHINGTON DC 20005**

**U S WEST INC
KATHRYN MARIE KRAUSE
DAN L POOLE
SUITE 700
1020 19TH STREET NW
WASHINGTON DC 20036**

**B B KNOWLES
DIRECTOR OF UTILITIES
GEORGIA PUBLIC SERVICE COMMISSION
244 WASHINGTON STREET SW
ATLANTA GA 30334-5701**

**DAVE BAKER
CHAIRMAN
GEORGIA PUBLIC SERVICE COMMISSION
244 WASHINGTON STREET
ATLANTA GA 30334-5701**

**PACIFIC TELESIS
ALAN CIAMPORCERO
1275 PENNSYLVANIA AVENUE NW
SUITE 400
WASHINGTON DC 20004**

**WILLIAM P BARR
SR VICE PRESIDENT - GENERAL COUNSEL
WARD W WUESTE
GAIL L POLIVY
GTE SERVICE CORPORATION
1850 M STREET NW
SUITE 1200
WASHINGTON DC 20036**

**RICHARD E WILEY
R MICHAEL SENKOWSKI
JEFFREY S LINDER
WILEY REIN & FIELDING
ATTORNEYS FOR GTE SERVICE CORPORATION
1776 K STREET NW
WASHINGTON DC 20006**

**MFS COMMUNICATIONS COMPANY INC
DAVID N PORTER
VICE PRESIDENT GOVERNMENT AFFAIRS
3000 K STREET NW SUITE 300
WASHINGTON DC 20007**

**SUSAN STEVENS MILLER
ASSISTANT GENERAL COUNSEL
STATE OF MARYLAND PUBLIC SERVICE COMMISSION
WILLIAM DONALD SCHAEFER TOWER
6 ST PAUL STREET
BALTIMORE MARYLAND 21202-6806**

**ANDREW D LIPMAN
RUSSELL M BLAU
SWIDLER & BERLIN CHARTERED
ATTYS FOR MFS COMMUNICATIONS COMPANY INC
3000 K STREET NW SUITE 300
WASHINGTON DC 20007**

**AMERICAN COMMUNICATIONS SERVICES INC
BRAD E MUTSCHELKNAUS
STEVE A AUGUSTINO
MARIEANN ZOCHOWSKI
KELLEY DRYE & WARREN
1200 19TH STREET NW
SUITE 500
WASHINGTON DC 20036**

**AMERICAN COMMUNICATIONS SERVICES INC
RILEY M MURPHY
CHARLES KALLENBACH
131 NATIONAL BUSINESS PARKWAY
SUITE 100
ANNAPOLIS JUNCTION MD 20701**

**CONSUMER FEDERATION OF AMERICA
AND CONSUMERS UNION
BRADLEY C. STILLMAN
TELECOMMUNICATIONS POLICY DIRECTOR
MARK N COOPER
RESEARCH DIRECTOR
COUNSEL FOR CONSUMER FEDERATION OF AMERICA
AND CONSUMERS UNION
1424 16TH STREET NW SUITE 604
WASHINGTON DC 20036**

**LINDA L OLIVER
COUNSEL FOR TELECOMMUNICATIONS
CARRIERS FOR COMPETITION
HOGAN & HARTSON LLP
COLUMBIA SUARE
555 THIRTEENTH STREET NW
WASHINGTON DC 20004-1109**

**FOSTER SWIFT COLLINS & SMITH PC
ATTORNEYS FOR MICHIGAN EXCHANGE CARRIERS
ASSOCIATION INC
GLEN A SCHMIEGE
MARK J BURZYCH
313 SOUTH WASHINGTON SQUARE
LANSING MI 48933**

**THE OFFICE OF THE OHIO CONSUMERS COUNSEL
ROBERT S TONGREN
CONSUMERS COUNSEL
DAVID C BERGMANN
THOMAS J O'BRIEN
ASSISTANT CONSUMERS COUNSEL
KAREN J HARDIE
TECHNICAL ASSOCIATE
77 SOUTH HIGH STREET 15TH FLOOR
COLUMBUS OHIO 43266-0550**

**THE ARIZONA CORPORATION COMMISSION
CHRISTOPHER C KEMPLEY
ASSISTANT CHIEF COUNSEL
DEBORAH R SCOTT
STAFF ATTORNEY
LEGAL DIVISION
1200 WEST WASHINGTON STREET
PHOENIX ARIZONA 85007**

**U S SMALL BUSINESS ADMINISTRATION
JERE W GLOVER
CHIEF COUNSEL
DAVID W. ZESIGER
ASSISTANT CHIEF COUNSEL
OFFICE OF ADVOCACY
409 THIRD STREET SW
SUITE 7800
WASHINGTON DC 20416**

**STATE OF FLORIDA
PUBLIC SERVICE COMMISSION
CYNTHIA B. MILLER
ASSOCIATE GENERAL COUNSEL
CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BLVD
TALLAHASSEE FL 32399-0850**

**GENERAL SERVICES ADMINISTRATION
OFFICE OF GENERAL COUNSEL
MICHAEL J ETTNER
SENIOR ASSISTANT GENERAL COUNSEL
PERSONAL PROPERTY DIVISION
18TH & F STREETS NW ROOM 4002
WASHINGTON DC 20405**

**GENERAL SERVICES ADMINISTRATION
CHIEF REGULATORY LAW OFFICE
CECIL O SIMPSON JR
GENERAL ATTORNEY
18TH & F STREETS NW ROOM 4002
WASHINGTON DC 20405**

**OFFICE OF THE JUDGE ADVOCATE GENERAL
U S ARMY LITIGATION CENTER
901 N STUART STREET SUITE 713
ARLINGTON VA 22203-1837**

**INTERMEDIA COMMUNICATIONS INC
JONATHAN E CANIS
REED SMITH SHAW & MC CLAY
1301 K STREET NW
SUITE 1100 EAST TOWER
WASHINGTON DC 20005**

**GST TELECOM INC
SWIDLER & BERLIN CHTD
ERIC J BRANFMAN
MORTON J POSNER
3000 K STREET NW SUITE 300
WASHINGTON DC 20007**

**TEXAS STATEWIDE TELEPHONE COOPERATIVE INC
JIM WHITEFIELD
CHAIRMAN REGULATORY COMMITTEE
GARY L MANN
AUTHORIZED REPRESENTATIVE
3721 EXECUTIVE CENTER DR SUITE 200
AUSTIN TX 78731-1639**

**NEXTLINK COMMUNICATIONS LLC
DANIEL M WAGGONER
DAVIS WRIGHT TREMAINE
2600 CENTURY SQUARE
1501 FOURTH AVENUE
SEATTLE WASHINGTON 98101-1688**

**MUNICIPAL UTILITIES
SPIEGEL & MC DIARMID
JAMES N HORWOOD
SCOTT H STRAUSS
WENDY S LADER
SUITE 1100
1350 NEW YORK AVENUE NW
WASHINGTON DC 20005-4798**

**CENTENNIAL CELLULAR CORP
RICHARD RUBIN
STEVEN N TEPLITZ
FLEISCHMAN AND WALSH LLP
1400 SIXTEENTH STREET NW
SUITE 600
WASHINGTON DC 20036**

**ALLTEL TELEPHONE SERVICES CORPORATION
CAROLYN C HILL
655 15TH STREET NW
SUITE 220
WASHINGTON DC 20005**

**MICHIGAN PUBLIC SERVICE COMMISSION STAFF
6545 MERCANTILE WAY
LANSING MI 48911**

**STERN SCHOOL OF BUSINESS
PROFESSOR NICHOLAS ECONOMIDES
NEW YORK UNIVERSITY
NEW YORK NY 10012**

**AIRTOUCH COMMUNICATIONS INC
DAVID A GROSS
KATHLEEN Q ABERNATHY
1818 N STREET NW
SUITE 800
WASHINGTON DC 20036**

**THE ERICSSON CORPORATION
YOUNG & JATLOW
SUITE 600
2300 N STREET NW
WASHINGTON DC 20036**

**DEFENSE INFORMATION SYSTEMS AGENCY
REBECCA S WEEKS LT COL USAF
STAFF JUDGE ADVOCATE
CARL WAYNE SMITH
CHIEF REGULATORY COUNSEL
TELECOMMUNICATIONS DOD
701 S COURTHOUSE ROAD
ARLINGTON VA 22204**

**ALLIANCE FOR PUBLIC TECHNOLOGY
DR BARBARA O'CONNOR
CHAIRWOMAN
MARY GARDINER JONES
POLICY CHAIR
901 15TH STREET SUITE 230
WASHINGTON DC 20005**

**360° COMMUNICATIONS COMPANY
KEVIN C GALLAGHER
SENIOR VICE PRESIDENT
GENERAL COUNSEL AND SECRETARY
8725 WEST HIGGINS ROAD
CHICAGO IL 60631**

**ALLIED ASSOCIATED PARTNERS LP
GELD INFORMATION SYSTEMS
CURTIS T WHITE
MANAGING PARTNER
4201 CONNECTICUT AVE NW
SUITE 402
WASHINGTON DC 20008-1158**

**KENTUCKY PUBLIC SERVICE COMMISSION
AMY E DOUGHERTY
ATTORNEY
P O BOX 615
FRANKFORT KENTUCKY 40602**

**SDN USERS ASSOCIATION INC
REGIONAL R BERNARD
PRESIDENT
P O BOX 4014
BRIDGEWATER NJ 08807**

**WESTERN ALLIANCE
CHARLES H KENNEDY
MORRISON & FOERSTER LLP
2000 PENNSYLVANIA AVENUE NW
SUITE 5500
WASHINGTON DC 20006**

**ALABAMA PUBLIC SERVICE COMMISSION
MARY NEWMAYER
FEDERAL AFFAIRS ADVISOR
ALABAMA PUBLIC SERVICE COMMISSION
P O BOX 991
MONTGOMERY ALABAMA 36101**

**ALABAMA PUBLIC SERVICE COMMISSION
JOHN GARNER
ADMINISTRATIVE LAW JUDGE
P O BOX 991
MONTGOMERY ALABAMA 36101**

**RURAL TELEPHONE COALITION
NRTA
KOTEEN & NAFTALIN LLP
MARGOT SMILEY HUMPHREY
1150 CONNECTICUT AVENUE NW STE 1000
WASHINGTON DC 20036**

**RURAL TELEPHONE COALITION
NTCA
DAVID COSSON
L MARIE GUILLORY
STEVEN E WATKINS
2626 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20037**

**RURAL RELEPHONE COALITION
OPASTCO
LISA M ZAINA
KEN JOHNSON
21 DUPONT CIRCLE NW
SUITE 700
WASHINGTON DC 20036**

**OKLAHOMA CORPORATION COMMISSION
OFFICE OF GENERAL COUNSEL
JOHN GRAY
SENIOR ASSISTANT GENERAL COUNSEL
P O BOX 25000-2000
OKLAHOMA CITY OK 73152-2000**

**OKLAHOMA CORPORATION COMMISSION
ERNEST G JOHNSON
DIRECTOR
PUBLIC UTILITY DIVISION
P O BOX 25000-2000
OKLAHOMA CITY OK 73152-2000**

**OKLAHOMA CORPORATION COMMISSION
MARIBETH D SNAPP
DEPUTY GENERAL COUNSEL
P O BOX 25000-2000
OKLAHOMA CITY OK 73152-2000**

**TELEFONICA LARGA DISTANCIA DE PUERTO RICO INC
ENCARNITA CATALAN-MARCHAN
MARIA PIZARRO-FIGUEROA
METRO OFFICE PARK
BUILDING NO 8 STREET NO 1
GUAYNABO PR 00922**

**TELEFONICA LARGA DISTANCIA DE PUERTO RICO INC
ALFRED M MAMLET
PHILIP L MALET
COLLEEN A SECHREST
STEPTOE & JOHNSON LLP
1330 CONNECTICUT AVENUE NW
WASHINGTON DC 20036**

**NEXTEL COMMUNICATIONS INC
ROBERT S FOSANER
SENIOR VICE PRESIDENT
GOVERNMENT AFFAIRS
LAURA L HOLLOWAY
GENERAL ATTORNEY
800 CONNECTICUT AVENUE NW
SUITE 1001
WASHINGTON DC 20006**

**CORPORATION
MICHAEL J SHORTLEY III
180 SOUTH CLINTON AVENUE
ROCHESTER NY 14646**

**FRONTIER CORPORATION
ROY L MORRIS
DIRECTOR PUBLIC POLICY
1990 M STREET NW SUITE 500
WASHINGTON DC 20036**

**OMNIPOINT CORPORATION
MARK J TAUBER
MARK J O'CONNOR
PIPER & MARBURY LLP
1200 19TH STREET NW
SEVENTH FLOOR
WASHINGTON DC 20036**

**AMERICAN NETWORK EXCHANGE INC
U S LONG DISTANCE INC
DANNY E ADAMS
STEVEN A AUGUSTINO
KELLEY DRYE & WARREN LLP
1200 NINETEENTH STREET NW SUITE 500
WASHINGTON DC 20036**

**AMERICA'S CARRIERS TELECOMMUNICATION
ASSOCIATION
CHARLE H HELEIN GENERAL COUNSEL
HELEIN & ASSOCIATES PC
8180 GREENSBORO DRIVE
SUITE 700
MC LEAN VIRGINA 22102**